

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF TEXAS
WACO DIVISION

3 THE TRUSTEES OF PURDUE) Docket No. WA 21-CA-727 ADA
4 UNIVERSITY)
)
4 vs.) Waco, Texas
5)
)
6 STMICROELECTRONICS N.V.,)
6 STMICROELECTRONICS, INC.,)
7 STMICROELECTRONICS)
7 INTERNATIONAL N.V.) March 23, 2022

TRANSCRIPT OF DISCOVERY HEARING VIA VIDEOCONFERENCE
BEFORE THE HONORABLE ALAN D. ALBRIGHT

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25 Proceedings reported by computerized stenography,
transcript produced by computer-aided transcription.

15:29:47 1 THE COURT: Welcome. Suzanne, if you'd call the
15:29:49 2 case, please.

15:29:50 3 THE CLERK: Discovery hearing in Civil Action
15:29:52 4 W-21-CV-727, styled, The Trustees of Purdue University vs.
15:29:59 5 STMicroelectronics N.V. and others.

15:30:01 6 THE COURT: Announcements from counsel, please.

15:30:04 7 MR. SIEGMUND: Good afternoon, your Honor.

15:30:06 8 This is Mark Siegmund with Steckler, Wayne,
15:30:08 9 Cherry & Love for Purdue University. With me this
15:30:11 10 afternoon is Michael Shore and Raphael Chabaneix with
15:30:15 11 Shore Chan. And Mr. Shore will be the main speaker this
15:30:17 12 afternoon, your Honor.

15:30:22 13 MR. COHEN: Good afternoon, your Honor.

15:30:23 14 Justin Cohen of Holland & Knight representing
15:30:26 15 STMicroelectronics, Inc. And also with me is Max
15:30:28 16 Ciccarelli of the Ciccarelli law firm. And I'll be the
15:30:30 17 main speaker today.

15:30:31 18 THE COURT: Happy to take up your issues.

15:30:35 19 MR. SHORE: Your Honor, do you mind if I share my
15:30:38 20 screen with the Court?

15:30:39 21 THE COURT: Don't mind at all.

15:30:42 22 MR. SHORE: Hopefully this will work. Can you
15:30:51 23 see the chart on the screen, your Honor?

15:30:53 24 THE COURT: Yes, sir.

15:30:54 25 MR. SHORE: All right. So the Court's standing

15:30:58 1 orders don't really address the requirements for
15:31:03 2 disclosing an invalidity contentions a prior on-sale bar
15:31:10 3 defense. So we have a disagreement today over what is
15:31:13 4 required in an invalidity contentions to assert an
15:31:17 5 invalidity defense based upon an earlier sale for use in
15:31:21 6 the United States.

15:31:23 7 It's our position that for our client, Purdue, to
15:31:28 8 determine the strength, weakness, or even good-faith basis
15:31:33 9 for the assertion of a prior on-sale bar defense, a couple
15:31:37 10 of things are absolutely necessary. One, you have to
15:31:41 11 identify each individual product that you're claiming is
15:31:46 12 part of an on-sale bar defense. Not classes of products,
15:31:52 13 not families of products. Actual individual products.
15:31:57 14 You also have to provide exemplars of the products. So,
15:32:03 15 in other words, for us to test whether or not the products
15:32:06 16 infringe, we need to be able to take the products,
15:32:09 17 reverse-engineer them and determine whether they are
15:32:13 18 actually infringing products. Or would be infringing
15:32:16 19 products. Of course, they can't infringe if they predate
15:32:19 20 the patent. They're just products that would infringe if
15:32:21 21 they had come later.

15:32:23 22 The other thing you have to do to establish the
15:32:25 23 on-sale bar is, you have to establish a date a sale took
15:32:29 24 place. That should be disclosed. And because we might be
15:32:33 25 able to swear behind some of these sales, we don't know

15:32:35 1 the exact dates any of these sales took place, and you
15:32:38 2 have to disclose the customer in the United States to whom
15:32:41 3 you sold them and presumably delivered them in the United
15:32:46 4 States.

15:32:47 5 Now, for ST to -- in compliance with Rule 11, to
15:32:54 6 make an on-sale bar allegation, they have to have
15:32:58 7 investigated that a sale actually took place in the United
15:33:02 8 States of each part that they contend infringes. So they
15:33:06 9 would have to verify the sale, the date of the sale, and
15:33:10 10 obviously know who the customer is that they sold it to.
15:33:13 11 That should be extremely easy information for them to
15:33:17 12 provide if they actually did a Rule 11 investigation in
15:33:20 13 support of this defense.

15:33:22 14 These parts that they have identified
15:33:26 15 generically, they have provided some process flows, many
15:33:31 16 of which have to do with parts that have nothing to do
15:33:35 17 with silicon carbide. But they have provided some process
15:33:41 18 flows, but they provided the flows not for specific parts
15:33:44 19 that were sold in the United States but for families of
15:33:49 20 parts. So we don't know what the exact part numbers,
15:33:53 21 exact part types are. We don't know who the customers
15:33:56 22 are. We don't know who the date of sale are. We can't
15:33:59 23 match process flows to the individual parts so identified.

15:34:04 24 So what we've asked them for is simply to provide
15:34:07 25 for us as part of their invalidity contentions the bare

15:34:10 1 essential facts that would qualify these parts to be
15:34:15 2 infringing parts sold before the priority date. We did
15:34:20 3 not think this should be that hard.

15:34:21 4 So now, in their invalidity contentions, they
15:34:25 5 have identified ten families. When we went to investigate
15:34:33 6 -- you know, they asked us, well, you know, we're going to
15:34:36 7 produce these things in our offices. Come and see them in
15:34:37 8 our offices. We get to the office, they only have two
15:34:40 9 exemplars -- or from two families. Four exemplars from
15:34:46 10 two of the families. The actual part numbers for these
15:34:49 11 parts were not disclosed. Of course, they're capped in
15:34:52 12 plastic, so it does absolutely no good. I mean, it's like
15:34:56 13 holding up a piece of plastic and saying what's inside
15:34:58 14 this plastic infringes and was sold before the priority
15:35:03 15 date. We can't verify anything.

15:35:05 16 So all we're asking the Court to do is for them
15:35:08 17 to fill in this chart and replace all the words that say
15:35:13 18 none with actual information. We would like identified
15:35:19 19 product part numbers for each part they claim was sold in
15:35:22 20 advance of the priority date. We'd like to have the
15:35:25 21 process flows that they have produced tied to the specific
15:35:30 22 part that they are claiming is an invalidating part. We'd
15:35:34 23 like exemplars, four exemplars of each part that they're
15:35:39 24 going to claim is invalidating so we that could do our own
15:35:41 25 reverse-engineering to verify that the parts do or could

15:35:46 1 invalidate.

15:35:48 2 We'd like the evidence of the date of the
15:35:52 3 earliest U.S. sale so we could determine whether or not
15:35:54 4 they truly are prior art parts and whether or not there
15:35:57 5 was a sale in the United States, the identification of the
15:36:00 6 customer so, again, we can simply verify the basic facts
15:36:03 7 of the defense.

15:36:04 8 So to us, all of this information should be
15:36:08 9 readily available. It should have, in our opinion, been
15:36:12 10 produced as part of their invalidity contentions. They
15:36:15 11 didn't give us claim charts, you know, because if they had
15:36:19 12 given us claim charts with their own reverse-engineering
15:36:21 13 of all these parts and have these claim charts go through
15:36:26 14 the way we did it in our infringement contentions, but I
15:36:30 15 think that the best way for the Court to look at this is
15:36:33 16 imagine that we in our infringement contentions had done
15:36:37 17 what they did in these invalidity contentions. No claim
15:36:40 18 charts, no evidence, no backing, they would be here
15:36:44 19 screaming bloody murder that our infringement contentions
15:36:47 20 were insufficient. Their invalidity contentions for prior
15:36:52 21 on-sale bar parts should be just as comprehensive as the
15:36:57 22 plaintiff's invalidity contentions for infringing parts
15:36:59 23 because it's exactly the same information that each side
15:37:04 24 has to rely upon to conduct their investigation and to go
15:37:08 25 forward in the case.

15:37:09 1 And as far as the exemplar parts go, right now,
15:37:12 2 it is taking several weeks, if not months, to get time in
15:37:17 3 a lab to do reverse-engineering. So their idea that we
15:37:22 4 could just wait and potentially get exemplary parts later,
15:37:26 5 that's fallacious. That's wrong and I think they realize
15:37:29 6 that's wrong. And then, the other position they take is,
15:37:32 7 they don't want to give us exemplars because we might
15:37:35 8 break them. Of course we're going to break them. These
15:37:38 9 are not expensive parts. I don't think any of -- none of
15:37:42 10 them that we found cost more than \$12.

15:37:45 11 So this is not like where we're doing destructive
15:37:49 12 engineering, you know, of a CT scanner or destructive
15:37:52 13 engineering of a transmission, you know, on a tank or
15:37:55 14 something like that. These are -- these parts are made on
15:37:58 15 wafers on die where there's about 4 to 6,000 parts per
15:38:03 16 wafer. They have sold millions and millions of these
15:38:07 17 parts around the world, some for 20 years. Some of them
15:38:11 18 are still offered for sale, although we don't know if the
15:38:14 19 versions currently offered are the versions that were sold
15:38:18 20 before. But again, we're just asking for some very basic
15:38:22 21 information. We cannot evaluate their invalidity
15:38:25 22 contentions on prior on-sale bar without this information.
15:38:30 23 And again, if they did a Rule 11 investigation --
15:38:32 24 and I'm sure Holland & Knight did because they're, you
15:38:36 25 know, a big law firm -- they wouldn't assert a defense

15:38:38 1 like this without a Rule 11 investigation. So they have
15:38:41 2 to have this information at their fingertips, and there's
15:38:46 3 no reason why they can't produce it. And unless you have
15:38:49 4 any questions, your Honor, that's pretty much our
15:38:50 5 position. And I could unshare my screen if you don't need
15:38:53 6 it anymore.

15:38:55 7 THE COURT: A response.

15:38:58 8 MR. COHEN: Thank you, your Honor. And yes, Mr.
15:39:00 9 Shore, if you wouldn't mind unsharing your screen. Thank
15:39:04 10 you very much.

15:39:04 11 And, your Honor, I apologize. Christopher Ratway
15:39:06 12 is from our client, STMicroelectronics, Inc., is also on
15:39:10 13 today. I missed him at introductions.

15:39:12 14 THE COURT: Okay. I appreciate him taking the
15:39:15 15 time to be here.

15:39:16 16 MR. COHEN: Yes. So to put this simply, your
15:39:18 17 Honor, what Purdue is asking for is all of the evidence
15:39:21 18 that they would be pursuing during discovery that they
15:39:25 19 claim should have been provided with our invalidity
15:39:27 20 contentions. And that's just not the rule, that's not
15:39:30 21 what's required. Notice is what's required. Contrary to
15:39:32 22 what Mr. Shore said, we did provide claim charts. And to
15:39:35 23 date, Purdue hasn't complained about the sufficiency of
15:39:38 24 our claim charts or the sufficiency that we've provided
15:39:42 25 notice of our theories of invalidity for these prior art

15:39:45 1 parts.

15:39:46 2 And, your Honor, I'd just like to step back for a
15:39:48 3 minute to give some context. If you recall, the last time
15:39:50 4 we were before you, the Court had opened third-party
15:39:54 5 discovery. ST had served third-party discovery on what
15:39:59 6 Purdue claimed were closely related entities. And Purdue
15:40:03 7 refused and came to this court to basically quash any
15:40:05 8 attempts at early party discovery, and the Court agreed,
15:40:09 9 and no party discovery or closely related discovery has
15:40:13 10 taken place. Now, what Mr. Shore's complaining of is the
15:40:16 11 inability to test our invalidity contentions is literally
15:40:20 12 the exact same position that ST finds itself with respect
15:40:24 13 to Purdue's infringement contentions.

15:40:26 14 As a matter of fact, we've actually produced
15:40:28 15 evidence, process flows, claim charts, to support our
15:40:32 16 invalidity theories on the prior art products. Purdue has
15:40:35 17 not provided one piece of admissible evidence to support
15:40:39 18 its infringement contentions at this point and has
15:40:42 19 actually refused to provide any reverse-engineering that
15:40:45 20 would eventually be used to support its infringement
15:40:49 21 theories. So just like Purdue, we cannot test the
15:40:51 22 sufficiency of their infringement theories because that's
15:40:56 23 the purpose of discovery.

15:40:57 24 And a couple other minor points, your Honor. I
15:41:01 25 would say first is that there isn't a requirement to

15:41:05 1 provide and marshal all of your evidence at the contention
15:41:09 2 stage. The requirement is notice, which we provided with
15:41:12 3 claim charts with supporting design documents, process
15:41:15 4 flows, masks. That's what Mr. Shore was referencing that
15:41:18 5 he acknowledges was provided and produced.

15:41:21 6 Regarding reverse-engineering, destructive
15:41:27 7 testing, these aren't chips with unlimited supply, your
15:41:29 8 Honor. These are chips that were manufactured some 20
15:41:32 9 years ago. ST's supply is extremely limited, very
15:41:36 10 limited. And so, if we're providing chips for destructive
15:41:40 11 testing, we are going to quickly, you know, basically run
15:41:44 12 out of prior art chips and samples; and that's not only
15:41:48 13 for Purdue to use but for ST to use itself in presenting a
15:41:52 14 defense. And that prejudices ST not only in this case but
15:41:57 15 potentially future cases where this supply of chips won't
15:42:00 16 be available.

15:42:01 17 THE COURT: Can you give me an idea what number
15:42:05 18 you're talking about? Like for a specific chip that is
15:42:09 19 accused, you have one left, you have a dozen left, you
15:42:13 20 have a thousand left. I mean, I get that the problem.
15:42:18 21 These are chips that are -- I'm assuming, Mr. Cohen, are
15:42:21 22 no longer being manufactured so the supply is whatever the
15:42:25 23 supply is left.

15:42:26 24 MR. COHEN: Correct.

15:42:27 25 THE COURT: But can you give me an idea of the

15:42:29 1 number of chip -- what we're talking about here?

15:42:33 2 MR. COHEN: Yeah. Probably in like the 20 to 40

15:42:35 3 range. So.

15:42:39 4 THE COURT: I apologize. I interrupted you.

15:42:41 5 MR. COHEN: No, no, no, your Honor. Here to

15:42:43 6 answer your questions. And I don't have good firm

15:42:45 7 numbers. I know the supply is extremely limited for what

15:42:48 8 we do have.

15:42:49 9 THE COURT: Okay.

15:42:52 10 MR. COHEN: And, your Honor, the other point is,

15:42:53 11 what Mr. Shore's referencing is, of course, destructive

15:42:56 12 testing. And this court held in Anaya vs. Tricam that

15:43:00 13 there's a heightened standard that a party needs to make

15:43:02 14 to demand destructive testing. Purdue hasn't even tried

15:43:07 15 to make that. They haven't complained about the

15:43:09 16 sufficiency of understanding our theories. Everything Mr.

15:43:11 17 Shore went through is about testing the underlying

15:43:14 18 evidence, which is what party discovery is for, which will

15:43:17 19 open next month.

15:43:21 20 THE COURT: I think you're done, but if you're

15:43:22 21 not, let me know.

15:43:25 22 MR. COHEN: I am, your Honor. I'm here to answer

15:43:27 23 any questions you may have.

15:43:27 24 THE COURT: Mr. Shore.

15:43:28 25 MR. SHORE: First of all, the idea that they have

15:43:33 1 40 parts left is ridiculous. That is false. They may --
15:43:38 2 they also have wafers that have thousands of die that are
15:43:41 3 sitting on them, and they have to have those wafers still.
15:43:44 4 And if they want to produce a wafer, instead of a
15:43:48 5 cut-and-package part, that's fine, too. We'll take a
15:43:50 6 wafer. A wafer has about 4,000 die on it, but this is a
15:43:54 7 die-level case.

15:43:55 8 We've only asked for four exemplars of each part.
15:43:58 9 And when you are claiming a part is an invalidating part
15:44:02 10 and it cost \$4 retail, the idea that you can't provide the
15:44:07 11 other side four parts to allow them to test the
15:44:12 12 sufficiency of your contention is -- I don't even know how
15:44:17 13 to respond to that. But he can't tell you that they only
15:44:19 14 have 40 left. If he's saying they only have 40 left that
15:44:22 15 are packaged in like a TO220 or TO247 package, possible.
15:44:27 16 But they have wafers left and each of those wafers has 4
15:44:31 17 to 6,000 die on it. So we have to get back to reality.

15:44:38 18 And the second thing is, if you look at the --
15:44:40 19 when we share the screen, again, I want you to take a look
15:44:43 20 at what they've said because it's important. What they've
15:44:46 21 said here is that all products made with any of the MDxO
15:44:52 22 dies, including at least these two. So unless we have the
15:44:56 23 exemplars of what they're actually going to present as
15:44:58 24 invalidating, we don't even know if all products made by
15:45:02 25 anything related to that. That's what every single one of

15:45:07 1 these says, these are family of products. And they say
15:45:08 2 all products made with any of the MDxN dies, including at
15:45:14 3 least. So we don't even know if this is all of the parts
15:45:17 4 that they're going to claim are invalidating.

15:45:20 5 So what I -- to be fair, and what we're trying to
15:45:25 6 do here is be fair, make them tell us the exact parts.
15:45:28 7 Not families, not including but not limited to, not at
15:45:33 8 least. They need to tell us exactly what parts they're
15:45:35 9 going to claim are invalidating, give us four exemplars of
15:45:39 10 those parts, give us the process flow for those parts, and
15:45:43 11 as part of the contention, they have to tell us when they
15:45:47 12 were sold and who they were sold to, otherwise, they don't
15:45:51 13 even qualify as invalidating parts.

15:45:54 14 And all of this information had to be reviewed
15:45:59 15 and verified by the Holland & Knight lawyers or they
15:46:03 16 couldn't have made the allegation. But what we have
15:46:05 17 looking at that chart, your Honor, is we have 10 families,
15:46:09 18 and we don't even know which parts within the families
15:46:13 19 they're going to show up with at trial. We don't know
15:46:15 20 which parts of the families they're relying upon because
15:46:18 21 they keep saying including but not limited to or at least
15:46:21 22 the following.

15:46:22 23 So what we are trying to do is nail them down to
15:46:25 24 specific parts, give us exemplars and prove their -- and
15:46:30 25 not prove. Not marshal your proof. I don't need expert

15:46:34 1 declarations. I don't need expert depositions. I don't
15:46:37 2 need any of that. But what I do need for a prior art
15:46:40 3 product, I need the product and I need the basic proof
15:46:44 4 that it was prior. The customer and the date of the sale.
15:46:46 5 That's it. This should not be difficult.

15:46:53 6 THE COURT: Mr. Cohen.

15:46:55 7 MR. COHEN: Briefly, your Honor. Everything Mr.
15:46:57 8 Shore asked for are discovery requests. And all party
15:47:01 9 discovery is closed until it opens next month. Purdue has
15:47:04 10 taken the position in this court and others that ST is not
15:47:08 11 entitled to any early party discovery. And you've
15:47:11 12 noticed, your Honor, there aren't any discovery requests,
15:47:13 13 any Rule 34 requests, or samples. But Mr. Shore is asking
15:47:18 14 for discovery for strictly party discovery before it's
15:47:23 15 opened and demanding that that is what's required when ST
15:47:26 16 provides its invalidity contentions, and that's just not
15:47:28 17 the case.

15:47:28 18 And, your Honor, we believe this actually has
15:47:31 19 broader implications, not just for this case but for this
15:47:34 20 court. If defendants in order to provide sufficient
15:47:38 21 notice in their invalidity contentions of prior art
15:47:41 22 products and systems, then every defendant is going to be
15:47:45 23 required to basically marshal their evidence and provide
15:47:48 24 inspection and exemplars for any prior art device or
15:47:53 25 system at the preliminary invalidity contention stage,

15:47:56 1 before party discovery opens. And that, your Honor, on
15:47:59 2 the flip side, the plaintiffs are not required to provide
15:48:02 3 any evidence whatsoever. And Purdue in this case, has not
15:48:05 4 provided one shred of evidence that would allow ST to
15:48:09 5 evaluate their infringement contentions and their
15:48:11 6 infringement theories.

15:48:11 7 So we think fairness dictates that this wait
15:48:15 8 until party discovery, Purdue serves its document requests
15:48:19 9 and interrogatories, we will respond. We plan on
15:48:21 10 providing all of the evidence possible to support our
15:48:24 11 invalidity theories. And we've provided sufficient notice
15:48:28 12 thus far and will continue to do so when discovery opens.

15:48:34 13 MR. SHORE: Your Honor, 30 seconds.

15:48:35 14 THE COURT: Whatever time -- you're so engaging,
15:48:38 15 I would never put a time limit on you.

15:48:40 16 MR. SHORE: I'll try to stay brief.

15:48:42 17 First, what you just heard was not true. We
15:48:46 18 provided detailed claim charts with detailed reverse-
15:48:50 19 engineering, attached to our complaint. We didn't even
15:48:54 20 wait for infringement contentions. We literally provided
15:48:57 21 detailed reverse-engineering and claim charts attached to
15:49:01 22 the original complaint in our invalidity contentions. We
15:49:05 23 provided detailed claim charts with detailed
15:49:08 24 reverse-engineering.

15:49:10 25 So they have everything they need to determine

15:49:13 1 whether or not they infringe. And you know why we know
15:49:16 2 that? Because they claim that what they have was
15:49:19 3 sufficient to show their parts infringe. So again, I
15:49:23 4 didn't bring -- I'm not responding to his claims that we
15:49:26 5 haven't done what we're supposed to do. If they want to
15:49:28 6 bring that up at a separate hearing, I'm happy to do it.

15:49:31 7 But what we have here, if you look at our chart,
15:49:33 8 again, all we're asking them to do for -- is to tell us
15:49:38 9 specifically what parts invalidate. Not families, not
15:49:44 10 including but not limited to, not all products made by a
15:49:48 11 certain process. Give us exact parts. Give us exemplars.
15:49:54 12 Four. Not many. Four. And to tell us when the sale took
15:49:57 13 place and who the customer was so that we can just verify
15:50:01 14 that they are prior sold parts. That's not hard. It's at
15:50:06 15 their fingertips. They have to have it. If they don't
15:50:09 16 have it, they couldn't have made the allegation.

15:50:16 17 THE COURT: Anything else, Mr. Cohen?

15:50:18 18 MR. COHEN: Just briefly, your Honor. The
15:50:19 19 distinction between myself and Mr. Shore is that Mr. Shore
15:50:22 20 hasn't provided admissible evidence to support their
15:50:25 21 infringement contentions. They've selected pictures from
15:50:28 22 their reverse-engineering that they had conducted, but
15:50:31 23 thus far, have refused to provide any of that. It will
15:50:34 24 obviously be provided at some point during discovery or
15:50:35 25 what they select to use for their expert report. But we

15:50:38 1 have actually provided evidence in terms of process flows
15:50:42 2 and mask documents, design files.

15:50:44 3 On the other side, Purdue has provided pictures
15:50:48 4 of stuff that they may use later but not evidence, your
15:50:52 5 Honor, because that's for party discovery.

15:50:57 6 THE COURT: I'm not sure what your reluctance is
15:51:00 7 to -- and maybe I'm just not following -- your reluctance
15:51:06 8 is to being more specific, Mr. Shore said several times.
15:51:10 9 We are just asking them to identify the specific parts.
15:51:13 10 And I'm not sure what the reason is that could -- that
15:51:18 11 that couldn't be done now. Maybe I'm just missing it.

15:51:21 12 MR. COHEN: No, your Honor. This is the first
15:51:22 13 time we've heard that complaint that our contentions
15:51:25 14 weren't specific enough down to the specific parts. And
15:51:29 15 that's not in their dispute chart that they have even
15:51:32 16 asked for us to provide any additional identification or
15:51:34 17 be more specific on the part numbers. That's an issue
15:51:37 18 that we would have a problem addressing it being more
15:51:40 19 specific if that were the only complaint.

15:51:43 20 THE COURT: I think you said -- that's a problem
15:51:46 21 you wouldn't -- that's an issue you would not have a
15:51:48 22 problem addressing. Okay.

15:51:50 23 MR. COHEN: That's correct, your Honor.

15:51:52 24 THE COURT: Mr. Shore, anything else?

15:51:55 25 MR. SHORE: No, your Honor. I think one of the

15:51:57 1 things that we are kind of -- that is sort of the same is
15:52:02 2 in our infringement contentions that we have to provide a
15:52:08 3 priority date. They haven't provided us any date for when
15:52:11 4 they made a sale. All they say is before. We don't know
15:52:13 5 when. We don't know if we can swear behind it. We don't
15:52:17 6 know anything. But they have to know when the sale
15:52:19 7 occurred and what bought it. They have to know that.

15:52:24 8 THE COURT: Mr. Cohen, is there -- can you give
15:52:27 9 me an idea of the burden it would place on you to get more
15:52:31 10 specific dates?

15:52:33 11 MR. COHEN: At this time, I don't know
15:52:34 12 specifically, your Honor, about the burden that would
15:52:39 13 take. It's an investigation that was ongoing and will
15:52:41 14 continue to be ongoing. But I will note that your OGP has
15:52:48 15 a specific rule for plaintiffs to provide a priority date
15:52:52 16 disclosure and supporting evidence. On the other hand,
15:52:53 17 the invalidity contentions, there's not a requirement to
15:52:56 18 provide a specific date.

15:53:00 19 MR. SHORE: Your Honor, that's because for 102
15:53:01 20 and 103 art, the date is on publication. This isn't 102
15:53:05 21 or 103. And this is -- I will say this is a problem with
15:53:08 22 the OGP and that if you are going to have a prior sale,
15:53:13 23 the OGP does not expressly say you have to say what's the
15:53:16 24 date of the sale and who'd you sell it to. But that is
15:53:19 25 definitely a material part of any invalidity contention

15:53:23 1 that something was sold previously in the United States.
15:53:28 2 So that's basic and they have to know it or they could not
15:53:35 3 have made the allegation.

15:53:36 4 No defense lawyer could make that allegation
15:53:38 5 without verifying that a sale took place in the United
15:53:42 6 States. So he has to have that information at his
15:53:45 7 fingertips or he couldn't have made the allegation.

15:53:48 8 THE COURT: Mr. Cohen, that's what's concerning
15:53:51 9 me, too, is that it seems to me that -- because I know you
15:53:57 10 and your firm. I have great respect for you that it seems
15:54:03 11 to me, if you all were willing to put this information in
15:54:07 12 invalidity documents, contentions that you would have done
15:54:13 13 more than just figured it's gotta be before X date.
15:54:20 14 Again, I'm not sure -- in terms of burden, I'm not sure
15:54:23 15 under the rules -- we can go back and forth with who's
15:54:27 16 stumbling and all that -- whether or not it necessarily
15:54:29 17 has to be provided right now to Mr. Shore. I'll figure
15:54:33 18 that out in a second. But it does strike me that
15:54:37 19 something would -- that you had to have had that
15:54:40 20 information before you sent -- yes, sir.

15:54:43 21 MR. CICCARELLI: Your Honor, this is Max
15:54:43 22 Ciccarelli.

15:54:45 23 I want to speak to that, if I could, because I do
15:54:47 24 have some knowledge about some of these since I was
15:54:49 25 involved in the collection of some of this information.

15:54:52 1 The parts for which ST has prior exemplars, the limited
15:54:59 2 number that Mr. Cohen was referring to are actually parts
15:55:01 3 from a case that involved Mr. Shore and STMicroelectronics
15:55:09 4 back in the year 2000. And he might very well remember
15:55:11 5 these parts and these die names. So these were parts that
15:55:14 6 were actually sold right around the 2000 timeframe. The
15:55:19 7 problem is that the data, the information from that
15:55:23 8 timeframe that ST still has from that case shows that
15:55:27 9 there were sales prior to that time because the reports
15:55:30 10 were generated, but it doesn't have specific dates of
15:55:34 11 sale.

15:55:34 12 So Mr. Shore knows that they were right around
15:55:37 13 the year 2000. 1999, 2000. There were exemplars that
15:55:42 14 were produced to him and his firm as part of that
15:55:45 15 litigation. They conducted reverse-engineering as part of
15:55:47 16 that litigation because these were parts that he -- his
15:55:51 17 client had accused in that prior litigation. So they were
15:55:54 18 on sale around that time. We don't have access to the
15:55:58 19 data quite yet of exactly what days they were sold. We
15:56:02 20 will obviously work on collecting that and providing that
15:56:05 21 to them.

15:56:06 22 Some of these parts are parts where we provided
15:56:09 23 Mr. Shore with the design files and information as
15:56:14 24 potentially invalidating product because we believe based
15:56:17 25 on the discovery that we have done that they were sold

15:56:21 1 prior to that date. We have yet to be able to actually
15:56:25 2 track down actual sales. That is part of what discovery
15:56:28 3 is about. We will do that. Our goal here was, we're
15:56:31 4 going to put Mr. Shore on notice as early as humanly
15:56:34 5 possible about all the prior art products that we intend
15:56:37 6 to potentially rely on. Hence, these sort of generic
15:56:40 7 references. But we have given him the design files for
15:56:44 8 each of the dies so that he has in his possession mask
15:56:48 9 sets, process flows for each of these 10 different dies.

15:56:52 10 In terms of the name of products, the names that
15:56:54 11 we're aware of we provided to him and he even listed them
15:56:58 12 in his chart. So that's sort of where we are. We have
15:57:01 13 given everything that we have that allows them to evaluate
15:57:03 14 the defense. And during discovery, we will scour the
15:57:07 15 Earth, as your Honor probably imagines, for evidence of
15:57:10 16 the earliest possible sale. I hope that helps.

15:57:14 17 THE COURT: Mr. Shore.

15:57:16 18 MR. SHORE: That's interesting because the parts
15:57:18 19 that were involved 22 years ago did not contain any
15:57:23 20 silicon carbide. None. They can't be -- they can't be
15:57:26 21 invalidating prior art parts because these are silicon
15:57:31 22 carbide patents and silicon carbide MOSFET. So again,
15:57:36 23 that's the first I've heard this. But what I just heard,
15:57:40 24 I believe, is they cannot put forward evidence today of
15:57:44 25 any specific sales in the United States of these parts

15:57:48 1 that they claim are invalidating parts. That's a
15:57:50 2 violation of Rule 11.

15:57:52 3 So then, the other thing is, he does not explain
15:57:56 4 why they say all products made with, all products made
15:58:00 5 with. We're entitled to specific parts, specific part
15:58:04 6 numbers. They would not be able to walk into court and
15:58:08 7 say all products made with. So again, our request is
15:58:12 8 very, very simple. Give us the part numbers of the
15:58:15 9 products you claim are invalidating, give us the process
15:58:18 10 flows for each of those parts, give us four exemplars, and
15:58:23 11 give us the date of the first sale that you're going to
15:58:24 12 claim is an on-sale bar and the customer. Very simple.
15:58:28 13 Very straightforward.

15:58:30 14 And I would think that maybe the Court might even
15:58:32 15 consider putting that in its OGP going forward so you
15:58:35 16 never have to deal with this issue again. But if you're
15:58:37 17 going to claim a part is an on-sale bar part, you need to
15:58:41 18 be prepared to identify the part, identify the process
15:58:44 19 flow, identify the date of sale, identify the customer.
15:58:48 20 And that is basic. It's very basic.

15:58:57 21 THE COURT: Anything else?

15:59:00 22 MR. COHEN: Briefly if I could, your Honor.
15:59:02 23 Today's the first time that Purdue's complained about sort
15:59:05 24 of the lack of disclosure to being specific to part
15:59:08 25 numbers and specific dates. In the dispute chart, what

15:59:13 1 they requested were exemplars, all engineering and design
15:59:16 2 files, all evidence of use and pre-use predating sales.
15:59:22 3 And without that supporting evidence, what they asked this
15:59:25 4 court to do is to strike our prior art products from the
15:59:27 5 invalidity contentions.

15:59:29 6 So before today, that was the dispute coming to
15:59:32 7 your Honor. Had the dispute been we would like more
15:59:34 8 clarification on the part numbers or on a specific date, I
15:59:37 9 believe that's something the parties could have worked
15:59:40 10 out. And one minor comment, your Honor, because I feel
15:59:43 11 compelled to address this.

15:59:45 12 Mr. Shore mentioned Rule 11. In nearly every one
15:59:50 13 of my encounters so far in this case, we've received
15:59:53 14 accusations of failing to comply with the Court's orders,
15:59:55 15 the federal rules, Rule 11. None of these accusations
15:59:58 16 have any basis in fact or law. And, quite frankly, I
16:00:03 17 don't think it's appropriate to be hurling those types of
16:00:06 18 accusations back and forth, but I do feel the need to
16:00:09 19 address it.

16:00:11 20 THE COURT: Okay. I'll be back in a few seconds.

16:14:56 21 If we could go back on the record, please. The
16:14:59 22 Court is going to deny the relief plaintiffs are seeking.

16:15:05 23 And so, is there anything else that we need to
16:15:07 24 take up? Mr. Shore?

16:15:11 25 MR. SHORE: No, your Honor.

16:15:13 1 THE COURT: Mr. Cohen?

16:15:15 2 MR. COHEN: Nothing from the defendant, your

16:15:17 3 Honor. Thank you very much.

16:15:18 4 THE COURT: Wish you guys a good afternoon. Take

16:15:21 5 care.

6 (End of proceedings.)

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3 | UNITED STATES DISTRICT COURT)

4 | WESTERN DISTRICT OF TEXAS)

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